

Test Yourself Chapter 12 Taxation

Name: _____

All Multiple Choice

- | | |
|--|---|
| <p>1 Madeline claims the cost of travelling, in her car, as a tax deduction. She travels 1820 km and claims at the rate of 51.9 cents per kilometre. Her deduction is: C</p> <p>A \$519
B \$628
C \$944.58
D \$946.40</p> <p>2 Fadi claims deductions of \$2100 for computer equipment and \$62 per month for his internet connection. For these two items, Fadi can claim a deduction of: D</p> <p>A \$433
B \$744
C \$2162
D \$2844</p> <p>3 Fadi also claims the use of his laptop as a tax deduction. He bought it new for \$3200 and each year he is allowed a 33% deduction for the depreciation of the computer. The deduction he can claim in the first year is: A</p> <p>A \$1056
B \$1820
C \$4256
D \$2144</p> | <p>4 Hannah has a number of expenses in earning her income. These include union membership of \$320 per year, use of vehicle at \$75 per week and magazine subscription of \$15 per month. The deduction Hannah can claim is: D</p> <p>A \$410
B \$575
C \$695
D \$4400</p> <p>5 A taxpayer is entitled to claim deductions for the following expenses. C</p> <p style="margin-left: 40px;">Home office — \$320 per quarter
Travel — \$250 per month
Insurance — \$650 per year</p> <p style="margin-left: 40px;">As a result of these expenses, the claim that can be made is:</p> <p>A \$1220
B \$4265
C \$4930
D \$7490</p> <p>6 Katy has a yearly salary of \$44 000 and she earns \$1200 from bank interest. She claims deductions of \$1300. Her taxable income is: B</p> <p>A \$41 500
B \$43 900
C \$44 100
D \$46 500</p> |
|--|---|

- 7** Last year Anthony earned \$14 650 from bar work and \$5300 from his computer repair job. He is able to claim union fees of \$280 as a tax deduction. He earned \$65 in bank interest. His taxable income is: **C**

A \$9005
B \$19 605
C \$19 735
D \$20 275

- 8** Wendy earns \$750 per week. She claims deductions of \$450. Her annual taxable income is: **B**

A \$300
B \$38 550
C \$39 450
D \$62 400

- 9** Guy is an accountant with a yearly salary of \$65 400. He also lectures on accounting and receives \$3000 per quarter for this. He claims deductions of \$1650. Guy's taxable income is: **D**

A \$60 350
B \$70 050
C \$72 450
D \$79 750

- 10** The Medicare levy* for a person whose taxable income is \$53 200 is: **B**

A \$532
B \$798
C \$1064
D \$12 480

*1.5% of taxable income

- 11** The income tax payable on an income of \$54 450 is: **A**

A \$11 685.00
B \$12 231.75
C \$16 335.00
D \$29 450.00

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 12** Alison has an annual income of \$43 200. She has to pay income tax and the Medicare levy* on this income. The total tax payable is: **B**

A \$8040
B \$8958
C \$12 960
D \$18 200

*1.5% of taxable income

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 13** Alistair earns \$1540 per week. The annual PAYG tax (including Medicare levy* but not the surcharge) owing on this weekly income is: **C**

A \$5080
B \$19 882
C \$21 083.20
D \$32 032

*1.5% of taxable income

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 14** Kenny earns \$1800 per fortnight. The PAYG tax (including Medicare levy*) owing on this fortnightly income is: **C**

A \$4680
B \$9120
C \$10 092
D \$21 800

*1.5% of taxable income

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 15** A person who had a taxable income of \$33 370 paid PAYG tax of \$6200. He receives a tax return of: **A**

A \$338.45
B \$1109.00
C \$2170.00
D \$3811.00

*1.5% of taxable income

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 16** Jane has a taxable income of \$72 000 and she paid PAYG tax of \$15 220. How much extra tax will she have to pay? (excluding Medicare levy) **B**

A \$1460
B \$1730
C \$6380
D \$12 220

*1.5% of taxable income

<i>Taxable income</i>	<i>Tax on this income</i>
\$0–\$6000	Nil
\$6001–\$25 000	15c for each \$1 over \$6000
\$25 001–\$75 000	\$2850 plus 30c for each \$1
\$75 001–\$150 000	\$17 850 plus 40c for each \$1 over \$75 000
Over \$150 000	\$47 850 plus 45c for each \$1 over \$150 000

- 17** The pre-GST cost of a day trip is \$120. The GST payable on this trip is: **C**

A \$5
B \$10
C \$12
D \$15

- 18** The pre-GST cost of repairing a sink is \$154. The total cost of the repair is: **D**

A \$140
B \$165.50
C \$168
D \$169.40

- 19** A restaurant bill (including GST) is \$143. Calculate the pre-GST price of the meal. **B**

A \$128.70
B \$130
C \$152.60
D \$157.30

- 20** A car repair bill (including GST) comes to \$247.50. The GST component of this bill is: **B**

A \$19.25
B \$22.50
C \$24.75
D \$25